# HOUSING ELEMENT

## PURPOSE

The purpose of the Rancho Mirage Housing Element is to provide both the citizens and public officials with a comprehensive understanding of the housing needs within the City, and to set forth policies and programs that will enable the City to reach its defined housing goals. In order to achieve the ultimate goal of ensuring that every Rancho Mirage resident secures a safe and decent place to live within a satisfactory environment, the Housing Element promotes a closer coordination of housing policies and programs at local, state and federal levels, since the attainment of housing goals depends upon the shared commitment of all levels of government.

## BACKGROUND

### Legal Requirements of the Housing Element

State law passed in 1980 (AB 2853-Roos Bill) describes the requirements for Housing Elements: the need to include an assessment of regional housing needs, the role of the California Department of Housing and Community Development (HCD) in the review of elements, and procedures and timing for the adoption of the Housing Element. According to that law, this Housing Element must contain three parts:

(1) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of those needs;
(2) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing; and
(3) A program which sets forth a five year schedule of actions to implement the policies and achieve the goals and objectives of the Housing Element, guided by the following State housing objectives:

1. Provision of decent housing for all persons regardless of age, race, sex, marital status, source of income, or other arbitrary factors;
2. Provision of adequate housing by location, type, price and tenure; and
3. Development of a balanced residential environment including access to jobs, community facilities, and services.

Chapter 1140, Statutes of 1989, amends Housing Element law [(Section 65583 (c)] to require the housing program of an element to include, by January 1, 1990, a description of the use of moneys in a Redevelopment Agency's Low and Moderate Income Housing Fund, if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law [Division 24 (commencing with Section 33000) of the Health and Safety Code].

This element has been completed to meet all requirements of the law for the planning period from 1998 through 2005. The Regional Housing Needs Assessment (RHNA) developed by the Southern California Association of Governments has been incorporated into this document.

### At Risk Analysis

Chapter 1451, Section 65583, requires each city and county to adopt programs for preserving existing affordable housing. The City does not currently have any units at risk of terminating subsidies. A complete analysis is included in this document.

### Relationship to Other Elements

The Housing Element is a policy document identifying present and future housing needs and establishing programs and implementation policies, which ensure a good faith effort to meet such needs. Within the context of the General Plan, the Housing Element functions as an integral part of a comprehensive growth plan. For instance, projected housing need relates to residential land use acreages and policies to accommodate the City's fair share of households within all income levels.

The Housing Element has been closely correlated with the following mandated General Plan Elements:

| | |
|---|---|
| Land Use | Noise |
| Circulation | Open Space |
| Conservation | Safety |

### Review of State and Local Housing Plans and Objectives

California's Statewide Housing Plan, updated in 1999, identifies several critical issues in California's housing market:

- Much higher levels of housing construction are needed to adequately house the State's population.
- High housing cost burdens are increasingly an issue for both owners and renters. The combination of upward price pressure in the housing market and relatively tight urban housing markets has led to increasing cost burdens, particularly for low-income renter residents.
- In addition to high housing cost burdens, it is evident that, in some portions of the State, the level of overcrowding has dramatically increased.
- A substantial portion of affordable rental housing developments statewide are at risk of conversion to market rate use. This situation threatens thousands of low-income elderly households and families, exacerbating local housing needs.
- California has an extensive agricultural economy that depends on temporary workers to harvest and process crops. Significant numbers of these critical workers migrate throughout the State, facing housing challenges that impact their welfare.
- Finally, the homeless individuals and households who have fallen through the cracks of society face significant difficulties in obtaining shelter and reintegrating themselves into the broader society.

The State Housing Plan of 1977 recognized several important guiding principles, among which is the belief that the private sector is, and should be, the major provider of housing. The Government's role is to do what it can to make the private market responsive to the needs of all income, age, race, and ethnic groups and to help private industry provide a wide variety of housing types, sizes, and prices.

In 1980, Assembly Bill 2853 (chaptered as Government code Section 65580 et. seq.) was approved by the State Legislature. Its purpose was to amend and add to Title 7 of the Government Code. The new legislation requires counties and cities to prepare substantially more detailed Housing Elements.

The 1993 Rancho Mirage Housing Element was prepared in compliance with these requirements while reflecting the unique characteristics of the community. The Housing Element further supports the State objectives and addresses the basic housing issues within the community with the inclusion of the following goals:

1. To provide affordable housing for people and households with special needs including the homeless, elderly, handicapped large families, single parent families, female headed households, first time homebuyers, and workers employed in Rancho Mirage.

2. To develop in accordance with density, building, and environmental standards, new affordable housing to expand housing opportunities for all residents of the City.

3. To provide a variety of housing types to meet the diversity of needs throughout the City's residential neighborhoods.

4. To remove or mitigate constraints to the provision of affordable housing, both governmental and non-governmental.

5. To preserve the quality and affordability of the City's existing housing stock and ensure all dwelling units are safe and sanitary.

6. To eliminate discrimination in housing with regard to race, color, religion, national origin, sex, age, family status, or sexual preference, and to ensure equal housing opportunities exist for all groups.

## Evaluation of Existing Housing Element Policies and Programs

The policies and programs established in the 1997 Housing Element are evaluated for completion and effectiveness in this section.

### *Policy 1*

*The General Plan shall provide for a mixture of residential densities dispersed throughout the City.*

The land use map adopted with the adoption of the General Plan implemented this policy.

### *Program 1.A*

*The City shall monitor the remaining supply of vacant land in all residential zoning categories.*

The City maintains a database of lands, the designation and vacancy status, and updates the information periodically.

***Program 1.B***
*The City shall review and revise its residential development standards, as needed, to ensure that a variety of housing types are accommodated without sacrificing the City's design standards.*

The City is currently undertaking a comprehensive update of its Zoning Ordinance. The update is expected to be completed by the middle of 2001. In addition, the City, in 1998, added the R-M-TOL zone, which allows for minimum lot size of 6,200 square feet, to a maximum of 5 units per acre. Setback standards, dwelling unit size and similar development standards were also modified for this zone overlay (please refer to Tables III-37 and III-38).

***Policy 2***
*The City's residential development standards shall allow for a diversity of housing types while adhering to the General Plan's community design policies.*

The City's Zoning Ordinance allows for a variety of housing through the planned unit development process, and through the implementation of the R-M-TOL overlay.

***Policy 3***
*Affordable housing developments shall be distributed throughout the City rather than concentrated in one area.*

The residential lands available in all categories are evenly distributed throughout the City, and will continue to be through the implementation and continued *monitoring* of the land use map.

***Policy 4***
*The city shall strive to meet the State-mandated special shelter needs of first time home buyers, large families, female headed households, single parent families, workers employed in Rancho Mirage, senior citizens, handicapped and homeless individuals through the continued efforts of the Housing Authority in developing or assisting private interests in developing housing for all types of households.*

Since adoption of the last Housing Element, the City has participated in the construction of 84 units at Las Colinas. The project is for low and very low income seniors. The development includes one unit for the manager, 5 units for very low income households, and 78 units for low income households. The project opened in 2000.

***Program 4.A***
*Continue to support and assist in enforcing the provisions of the Federal Fair Housing Act. Information on the Fair Housing Act, as well as methods for responding to complaints, shall be available at City Hall. The materials shall also be provided to the City Library and Post Office for distribution.*

This program has been successfully implemented, and should be maintained in the current planning period.

***Program 4.B***
*The City shall work with private organizations in assisting whenever possible in the housing of handicapped residents, through continued participation by the Housing Authority.*

All projects owned or operated by the Housing Authority include ADA compliant facilities. The City has not, however, assisted directly in the construction of housing units for the handicapped in the previous planning period.

***Policy 5***
*The City shall emphasize the provision of additional affordable senior housing projects and the protection of existing affordable senior housing units.*

As previously stated, the City has participated in the Las Colinas senior project during the previous planning period. The City also maintains the Parkview Villas senior project and participated in the Whispering Waters substantial rehabilitation project, which generated 29 new units by converting a vacant and dilapidated hotel.

***Policy 5.A***
*The City shall monitor existing mobilehome parks, and shall consider the allocation of Housing Set-Aside funds to correct health and safety concerns as they arise.*

The City and Housing Authority have participated in a number of projects at Blue Heaven Mobilehome Park during the previous planning period. These projects have included the construction of walls, natural gas lines, security gates and pool repairs.

***Policy 6***
*There shall be equal access to housing regardless of race, color, religion, national origin, sex, age, family status or sexual preference.*

The City and Housing Authority continue to implement fair housing practices, and will do so in the current planning period.

***Policy 7***
*In order to meet its share of regional housing needs as mandated by the State, additional housing units affordable to 90 very low income households, 87 low income households and 65 moderate income households, shall be encouraged by the City during the 1996-2001 period.*

The projects developed in the City during the previous planning period have generated housing units for 15 very low income households and 97 low income households.

***Policy 8***
*The City's mandated fair share of affordable housing shall be maintained by resale and rental restrictions, applicant screenings, and other appropriate mechanisms established as conditions of approval for new affordable housing projects.*

All projects in which the Housing Authority participates are contractually obligated to maintain affordability for the longest feasible period of time.

***Policy 9***
*The first priority of the City's Redevelopment Housing Set-Aside Funds shall be to provide the required 242 units of very low, low and moderate income housing during 1996-2001.*

As previously stated, the Housing Authority participated in the creation of 15 very low income and 97 low income units during the previous planning period. Additional projects, discussed below, will address the City's RHNA allocation for the current planning period.

***Program 9.A***
*The Redevelopment Agency shall annually allocate funds to eligible projects, outlined on page III.47, Strategy for Meeting Affordable Housing Needs, and other projects as they are presented to the Agency.*

The City and Redevelopment Agency have adopted their annual budgets in a timely fashion during every year of the previous planning period.

***Policy 10***
*In order to qualify for the City's financial assistance for the development of affordable housing, developers shall be required at a minimum:*

1. *To provide a minimum of 20% equity or financial contribution to the project.*
2. *To designate a minimum of 25% of the units for very low income households.*
3. *To restrict all of the units to remain affordable for a period of 20 years.*

All Housing Authority participation is reviewed for conformance with this policy. The City has seen that participation by the developer ensures better living conditions for the residents of the project.

***Program 10.A***
*The City shall prepare a standard set of qualifications and an application format for private developers seeking City financial assistance for the development of affordable housing.*

The Housing Authority maintains a standard list of materials required for submittal when grants or loans are sought for projects. This list is then modified to address specific issues associated with specific projects.

***Policy 11***
*The City may, whenever it deems feasible and necessary, reduce, subsidize or defer development fees to facilitate the development of affordable housing.*

The City's Redevelopment Agency, as part of the $6,000,000 contribution to the Las Colinas project, paid the fees for the developer. The Agency will continue to consider this option when looking at individual projects.

***Policy 12***
*The City shall apply its density bonus provisions to all qualifying affordable housing projects, as shown in Table III-40, page III-59.*

The City continues to review projects and allow density bonuses for projects which meet the City's standards for such projects.

***Policy 13***
*Approximately 20 acres of the City-owned property south and west of Via Vail shall be developed for family affordable housing.*

The Monterey Marketplace project continues to be planned, although development has been delayed for a number of reasons (please see discussion below). The project should be completed during the current planning period.

***Program 13.A***
*The City shall prepare a conceptual site plan and a request for development proposals for a family affordable housing project on the 20 acres of City-owned property south and west of Via Vail.*

The conceptual site planning for the proposed project has been completed.

***Policy 14***
*The City shall encourage private ownership of affordable housing projects.*

The Las Colinas and Whispering Waters projects were both built and are being operated by independent entities.

***Policy 15***
*A second priority for the City's Redevelopment Housing Set-aside funds shall be for the rehabilitation of the City's existing affordable housing stock.*

***Program 15.A***
*The Housing Authority shall provide financial assistance to lower income households through its Home Improvement Program.*

The City has continued to implement its Home Improvement Program, which assisted 896 households of very low, low or moderate incomes in making home repairs and improvements during the previous planning period.

***Policy 16***
*Relocation assistance shall be provided to lower income households who are displaced by public or private redevelopment activities as mandated by the State.*

The City and Housing Authority have not had a need to implement relocation assistance programs during the previous planning period. Such a program is, however, being developed for the Blue Heaven Mobilehome Park, which is planned for conversion during the current planning period (please see discussion below).

## HOUSING NEEDS

In order to understand the housing needs of Rancho Mirage, it is important to first look at the make-up of the community and its demographics.

## REGIONAL SETTING

Rancho Mirage is located in the upper Coachella Valley of Riverside County. The county experienced extremely rapid growth in the 1980's. County population grew from 663,923 in 1980 to 1,110,000 in 1990, an increase of 67%. The California Department of Finance further estimates that population in the County rose to 1,476,307 by 1999.

The upper Coachella Valley's economic base is heavily dependent on tourism, the area's original and primary industry. Rapid growth in employment in this industry heavily impacts the need for affordable housing because of traditionally low wages. Rancho Mirage is world renowned as an exceptionally high quality resort and residential community. The City's policies, ordinances, and regulations protect and preserve this quality of life.

### Demographic Characteristics

### Age Distribution

The median age in Rancho Mirage is 59.1. The 1990 Census presents the following age distribution of the population.

**Table III-7**
**Age Distribution – 1990**

| Age | Number | % of Total |
|---|---|---|
| Under 18 | 963 | 10% |
| 18-20 | 15 | 1% |
| 21-24 | 258 | 3% |
| 25-44 | 1,774 | 18% |
| 45-54 | 1,137 | 12% |
| 55-59 | 734 | 7% |
| 60-64 | 1,055 | 11% |
| 65+ | 3,706 | 38% |
| **Total** | 9,778 | 100% |

Source: 1990 U.S. Census

### Ethnic Characteristics

Table III-8 compares the ethnic distribution for Rancho Mirage in 1980 and 1990.

**Table III-8**
**Ethnic Characteristics-1980 and 1990**

| | 1980 | 1990 |
|---|---|---|
| White | 94.0% | 90.5% |
| Hispanic | 4.9% | 6.9% |
| Black | 2% | 1.3% |
| Native American | N/A | .3% |
| Asian | N/A | .9% |
| Other | 9% | .1% |
| **Total** | 100% | 100% |

Source: 1980 U.S. Census; 1990 U.S. Census

Although the community remains predominantly white, the date shows an increase in minority population. This is representative of a trend throughout Southern California. It is expected that the 2000 census will reflect similar ethnic mix to the 1990 Census.

### Population Growth

Rancho Mirage has shown steady population growth throughout the last decade, in keeping with the pattern of growth experienced by Riverside County.

**Table III-9**
**Population Growth – 1985 to 2000**

| Year | Square Miles | Population | % Increase in Population |
|---|---|---|---|
| 1985 | 21.9 | 7,675 | 4.4 |
| 1986 | 21.9 | 8,025 | 4.6 |
| 1987 | 21.9 | 8,225 | 2.5 |
| 1988 | 21.9 | 8,600 | 4.6 |
| 1989 | 22.3 | 9,000 | 4.7 |
| 1990 | 22.3 | 9,275 | 3.1 |
| 1991 | 23.0 | 9,996 | 7.8 |
| 1992 | 23.0 | 10,466 | 4.7 |
| 1993 | 23.0 | 10,545 | 1.0 |
| 1994 | 23.0 | 10,500 | N/A |
| 1995 | 24.0 | 10,450 | 1.0 |
| 1996 | 24.0 | 10,550 | 1.0 |
| 1997 | 24.0 | 10,458 | N/A |
| 1998 | 24.7 | 11,042 | 5.5 |
| 1999 | 24.7 | 11,419 | 3.4 |
| 2000 | 24.7 | 11,942 | 4.6 |

Source: California Department of Finance (DOF)

### Major Employers

Table III-10 shows the largest employers located in the City of Rancho Mirage.

**Table III-10**
**Major Employers – 1995**

| Employers | Number of Employees |
|---|---|
| Eisenhower Medical Center | 1,953 |
| Westin Mission Hills Resort | 453 |
| Marriott's Rancho Las Palmas | 410 |
| Ritz Carlton Hotel | 407 |
| Home Depot | 173 |
| Riverside County Offices | 74 |
| Heart Institute of the Desert | 69 |
| City of Rancho Mirage | 67 |
| Rancho Mirage Post Office | 41 |
| Palm Valley School | 40 |
| Rancho Mirage Elementary | 40 |
| Convention & Visitor's Bureau | 35 |
| Braille Institute | 28 |

Source: City of Rancho Mirage

Retail is also a major employer, although made up of many small businesses rather than a few large employers.

### Housing Characteristics

Housing needs in Rancho Mirage are a function of affordability, not supply.

The 1990 Census showed a total of 9,360 housing units in the City.

**Table III-11**
**Housing Characteristics-1990**

| Units in Structure | Number |
|---|---|
| Single Family Detached | 2,996 |
| Single Family Attached | 3,875 |
| 2-4 Units, Multi-family | 602 |
| 5-9 Units, Multi-family | 173 |
| 10 or more Units, Multi-family | 454 |
| Mobilehome, Trailer, Other | 1,260 |
| **Total** | **9,360** |

Source: 1990 Census

**Table III-12**
**Housing Characteristics-1995**

| Units in Structure | Number |
|---|---|
| Single Family Detached | 4,237 |
| Single Family Attached | 3,919 |
| 2-4 Units, Multi-family | 567 |
| 5 + Units, Multi-family | 779 |
| Mobilehomes | 1,079 |
| **Total** | **10,601** |

Source: State Department of Finance

The apparent drop in mobilehomes from 1,260 to 1,079 is the result of the deannexation of a portion of a mobilehome park previously located in Rancho Mirage, and the loss of units at Blue Heaven Mobilehome Park. The DeAnza Mobilehome Park was annexed to the City of Cathedral City.

### Vacancy Status

The 1990 Census showed an overall vacancy rate of 48%. Correcting for seasonal or recreational units, which are considered vacant by the Census but are not available or used for permanent occupancy, the vacancy rate decreases to 15.6%.

**Table III-13**
**Vacancy Status - 1990**

| Unit Type | Number of Vacant Units | % Total Units City-Wide |
|---|---|---|
| For rent | 186 | 2.00% |
| For sale | 449 | 4.80% |
| Rented or sold, not occupied | 100 | 1.00% |
| Seasonal, recreational or occasional use | 2,963 | 31.70% |
| Migrant workers | 1 | 0.01% |
| Other vacant | 828 | 8.80% |

Source: 1990 Census, American Development Consultants

In January of 2000 the Department of Finance estimated a gross vacancy rate of 48.35%. The vacancy mix has not, therefore, changed during the last ten years, and the City remains a popular destination for second homeowners.

### Housing Tenure

Housing tenure for occupied units only is shown in Table III-14.

**Table III-14**
**Housing Tenure – 1990**

| Unit | Number of Units | Percentage |
|---|---|---|
| Owner Occupied | 3,900 | 81% |
| Renter Occupied | 933 | 19% |
| **Total** | **4,833** | **100%** |

Source: 1990 Census

## Current Housing Needs

Housing need is defined by the State Department of Housing and Community Development in these ways:

- overcrowding (more than 1.01 persons per room)
- overpaying (paying more than 30% of household income for shelter)
- residing in substandard units

The 1990 Census provides current data on overcrowding by tenure.

**Table III-15**
**Overcrowding, Owner-Occupied Units – 1990**

| Persons Per Room | Nº of Households |
|---|---|
| 0.5 or less | 3,525 |
| 0.51 to 1.00 | 351 |
| 1.01 to 1.50 | 14 |
| 1.51 to 2.00 | 8 |
| 2.01 or more | 2 |

Source: 1990 Census

**Table III-16**
**Overcrowding, Renter-Occupied Units – 1990**

| Persons Per Room | Number of Households |
|---|---|
| 0.5 or less | 619 |
| 0.51 to 1.00 | 245 |
| 1.01 to 1.50 | 21 |
| 1.51 to 2.00 | 20 |
| 2.01 or more | 28 |

Source: 1990 Census

Based on this data, a total of 93 households in Rancho Mirage are overcrowded.

The Southern California Association of Governments (SCAG) estimated existing households (1988) overpaying for housing as part of the 1989 Regional Housing Needs Analysis (RHNA). This data is shown in Tables III-17 and III-18.

**Table III-17**
**Households Earning 80% of Median Income or Less, Paying 30% or More Of Gross Income for Shelter By Tenure - 1988**

| | Total Overpaying | Very Low Income | Low Income |
|---|---|---|---|
| Renters | 214 | 92 | |
| Owners | 160 | 50 | 110 |
| **Total** | **374** | **142** | **232** |

Source: SCAG RHNA, 1999

**Table III-18**
**Total Lower Income Households Overpaying for Shelter - 1999**

| | Number |
|---|---|
| Total Households In City | 3,895 |
| Total Lower Income Households | 1,243 |
| Very Low Income Households Overpaying | 42 |
| Low Income Households Overpaying | 232 |
| **Total Lower Income Households Overpaying** | **374** |

Source: SCAG RHNA, 1999

The 1990 Census data can be used to update the calculations of households overpaying for shelter. This data is shown in Tables III-19 and III-20.

**Table III-19**
**Percentage of Household Income Spent on Housing: Owner Occupied Units – 1990**

| | Percentage of Income Spent on Housing | | | | | |
|---|---|---|---|---|---|---|
| **Income** | **0-19%** | **20-24%** | **25-29%** | **30-34%** | **35%+** | **Over 30%** |
| Less than 10,000 | 7 | 0 | 14 | 0 | 138 | 138 |
| 10,000 to 19,000 | 45 | 9 | 9 | 5 | 152 | 157 |
| 20,000 to 34,999 | 68 | 35 | 58 | 20 | 158 | 178 |
| 35,000 to 49,999 | 103 | 49 | 68 | 19 | 87 | 106 |
| 50,000+ | 921 | 183 | 130 | 74 | 265 | 339 |
| **Total** | **1,444** | **276** | **279** | **118** | **800** | **918** |

Source: 1990 Census

**Table III-20**
**Percentage of Household Income Spent on Housing: Renter Occupied Units – 1990**

| | Percentage of Income Spent on Housing | | | | | |
|---|---|---|---|---|---|---|
| **Income** | **0-19%** | **20-29%** | **25-34%** | **30-34%** | **35%+** | **Over 30%** |
| Less than $10,000 | 0 | 0 | 0 | 0 | 138 | 138 |
| $10,000 to $19,000 | 0 | 20 | 0 | 0 | 188 | 188 |
| $20,000 to $34,999 | 72 | 16 | 60 | 55 | 59 | 114 |
| $35,000 to $49,999 | 40 | 0 | 27 | 0 | 29 | 29 |
| $50,000+ | 36 | 46 | 10 | 17 | 0 | 17 |
| **Total** | **148** | **82** | **97** | **72** | **414** | **486** |

Source: 1990 Census

Two factors are evident: The estimates of households overpaying, prepared by SCAG in 1988 were significantly lower than the actual Census reveals; and lower income households are much more likely to overpay for housing than higher income families. Both of these factors are the result of housing costs.

The City of Rancho Mirage has had a high median price for both single family owner occupied units and rental units. The 1980 and 1990 median prices for housing are shown in Table III-21.

**Table III-21**
**1980 and 1990 Median Housing Prices**

| | 1980 | 1990 | % Increase |
|---|---|---|---|
| Median Single Family Purchase Price | $137,000 | $252,500 | 84% |
| Median Mortgage Costs (PITI) | N/A | $ 1,708 | N/A |
| Median Rental Rate | $ 344 | $ 620 | 80% |

Source: 1980 Census, 1990 Census

The economic recession of the early to mid-1990's did, however, influence sale prices for homes. The median sales price for a home in Rancho Mirage in 1994 was $218,750, down 15% from 1990, according to statistical data maintained by the Board of Realtors. If a similar reduction in median mortgage costs is calculated, it can be estimated that in 1994, the average household was paying $1,452 per month.

The 1990 Census calculates the median annual income for households in Rancho Mirage to be $45,064. Using the allowable monthly payment for housing of 30% of gross household income, the median income family can afford a monthly housing payment of $1,126 (Principal, Interest, Taxes, and Insurance). This is below the median housing mortgage costs of $1,452 estimated for 1994.

**Table III-22**
**1990 Rancho Mirage Median Income Affordability**

| | |
|---|---|
| Median Household Monthly Income (1990) | $3.755 |
| 30% of Household Income Housing Payment (PITT) | $1,126 |
| Affordability Gap | $ 582 |

Source: American Development Consultants

Based on 1995 estimates, the following Table shows that the affordability gap has narrowed, due primarily to the recessionary period experienced throughout California.

**Table III-23**
**1995 Rancho Mirage Median Income Affordability Gap**

| | |
|---|---|
| Median Family Monthly Income (1995) | $4,431 |
| 30% of Household Income Housing Payment (PITI) | $1,329 |
| Affordability Gap | $ 123 |

Source: Terra Nova Planning & Research

The 2000 median income calculated for Riverside County for a family of four is $47,400. This is used to calculate very low (50% of median) and low (80% of median) incomes for use in State and federal subsidized housing programs.

**Table III-24**
**2000 County of Riverside Housing Program Income Limits**

| | One Person Family | Two Person Family | Three Person Family | Four Person Family |
|---|---|---|---|---|
| Very Low Income | $16,600 | $18,950 | $21,350 | $23,700 |
| Low Income | 26,500 | 30,350 | 34,350 | 37,900 |

Source: Department of Housing and Urban Development

### Rehabilitation Needs

The age of housing is an important characteristic of the stock, indicating its relative condition. An average quality structure has a live of twenty to thirty years. At that time, the need for maintenance and rehabilitation becomes critical if the housing is to remain safe and sanitary.

According to the 1990 Census, 2,109 dwelling units were built before 1970 and are now over 5 years old. Approximately 949 of those units are over 30 years old.

This data has been updated by windshield surveys of single family neighborhoods and a unit-by-unit survey of each mobilehome park in the City completed in 1993. Areas surveyed were:

- Peterson and 39th
- San Jacinto Road
- East Veldt and West Veldt loops
- Magnesia Falls area
- Thunder Road
- Tierra del Sol neighborhood

A total of 131 single family units and 140 multi-family units were included in this survey. Of the units surveyed, 23 single family units and 9 multi-family buildings consisting of a total of 24 units needed minor rehabilitation and repairs, such as exterior painting. Five single family units and one duplex needed substantial rehabilitation, such as roof replacement, structural repair, and electrical and plumbing work. No units surveyed required complete replacement.

### Mobilehome Park Survey Results

Every mobilehome in each of the six mobilehome parks in Rancho Mirage was surveyed as to exterior condition in both 1992 and 1994. The results of the surveys are shown in Table III-25 and III-26, below. Table III-25 represents a windshield survey performed in 1992 for the last Housing Element Update. Table III-26 is a compilation of data collected for the City's Redevelopment Agency to assess the level of repair, and costs associated with the repairs are relatively low in most cases. No units in either survey required complete replacement.

**Table III-25**
**Mobilehome Park Condition Survey Results – 1992**

| | Blue Heaven | Blue Skies | Rancho Mirage | Rancho Palms | Fred A. Johns | The Colony | Total |
|---|---|---|---|---|---|---|---|
| Total Units | 51 | 143 | 274 | 126 | 67 | 220 | **881** |
| Foundation Needed | 0 | 0 | 0 | 0 | 11 | 0 | **11** |
| Doors/Windows Broken | 2 | 0 | 2 | 0 | 2 | 0 | **6** |
| Roof Repair/ Replacement | 0 | 0 | 1 | 1 | 1 | 0 | **3** |
| Siding Repair | 17 | 8 | 48 | 23 | 13 | 0 | **109** |
| Paint Needed | 11 | 34 | 8 | 19 | 13 | 36 | **131** |
| Total Units Needing Repair | 30 | 42 | 69 | 43 | 40 | 36 | **260** |
| % of Units in Need of Repair | 59% | 29% | 25% | 34% | 60% | 16% | **29%** |

Source: American Development Consultants

**Table III-26**
**Mobilehome Park Structural Condition of Coaches, 1994**

| | Blue Heaven | Rancho Mirage | Rancho Palms | Fred A. Johns | The Colony |
|---|---|---|---|---|---|
| No Repairs | 9 | 24 | 31 | 0 | 133 |
| Minor Repairs | 13 | 18 | 31 | 9 | 17 |
| Code Issues | 2 | 9 | 20 | 11 | 0 |
| Significant Repairs | 21 | 150 | 45 | 29 | 55 |
| Major Repairs | 7 | 77 | 29 | 18 | 15 |
| Major Repairs with Health & Safety Implications | 11 | 8 | 19 | 13 | 36 |
| Total Cost to Rehabilitate (Not Including Code issues) | $15,900 | $65,800 | $13,365 | $8,325 | $9,600 |

Source: American Development Consultants, Mobilehome Park Study, August 1994

The Survey did not access interior condition of the units, including potential plumbing or electrical deficiencies. Units which appear to meet standard exterior conditions may be substandard in other ways, and units appearing to need only exterior painting may be substandard in other ways, and units appearing to need only exterior painting may require more substantial interior repairs. Survey results establish a minimum number of mobilehomes needing repair and rehabilitation, but not a maximum. It is clear from the survey that a number of mobilehomes in the City are older units in need of some repair to be considered fully standard dwelling units. In 1994, the City of Rancho Mirage purchased the Blue Heaven Mobilehome Park, and has invested $850,000 to make infrastructure improvements in the park. For individual homeowners, the Home Improvement Program is available for home repair for households with qualify as very low through moderate income. The program has assisted 862 households since its inception.

## Future Housing Needs

The Southern California Association of Governments (SCAG) is responsible for developing housing need allocations for all counties and cities under its jurisdiction. The allocation for the City for the current planning period, from 1998 to 2005, is depicted below.

**Table III-27**
**Category, Unadjusted 1998-2005**

| | Number of Units |
|---|---|
| Very Low Income | 157 |
| Low Income | 111 |
| Moderate Income | 135 |
| High Income | 470 |
| **Total** | **874** |

Source: Southern California Association of Governments

The City therefore estimates a total of 874 new housing units will be needed between 1998 and 2005. Of these, 470 are to be affordable to households with incomes in excess of 120% of median, 1so it is assumed the private market will provide these higher priced units without assistance from the public sector. There have been an average of 270 homes built annually in Rancho Mirage in the last three years. If only 50% of these are for permanent households, the City sees 135 new permanent homes constructed annually. Over the entire planning period, this represents a total of 945 housing units for permanent above-median income households during the current planning period.

The remaining 404 units will need assistance from the public sector to be affordable to low and moderate income households.

## Strategy for Meeting Affordable Housing Need

The City has, in recent years, become more aggressive in pursuing its need for affordable housing. This effort was led by the formation of the City's Housing Authority, operated through the Redevelopment Agency. Since its formation, the Housing Authority has been pursuing mobilehome park acquisition, joint venture projects with private developers, and the management of City-owned affordable housing projects.

The Redevelopment Agency receives an average of about $3.6 million in Housing Set-Aside funds annually. In the period from 2000 through 2005, the City has committed to the continued expansion of its affordable housing stock through budgetary commitment of its Redevelopment Housing set-aside funds. The following discussion specifically describes current Housing Authority plans, and how they will assist in the development of affordable housing projects in the City. For purposes of this analysis, and to provide the most conservative forecasts, it has been assumed that the Housing Set-Aside funds will continue to provide the Housing Authority with an average annual revenue of $3.6 million through the balance of the planning period.

**Monterey Village Project:** This project, on City-owned property, will include approximately 150 units, affordable to very low, low and moderate income households. A total of $1,200,000 will be expended in the 2000-2001 fiscal year to extend infrastructure to the project site. An additional $10,000,000 is planned for construction of the project in the 2002-2004 fiscal years.

**Blue Heaven/Santa Rosa Villas Housing Project**: The City plans to convert this existing mobilehome park into a manufactured housing project, providing 33 new affordable housing units. The mix of incomes has not been determined for this project. The Agency has planned to expend at least $2,000,000 in the 2000-2002 fiscal years toward completion of the project.

**Whitewater Senior Project/Parkview Villas II:** The Housing Authority owns land adjacent to the existing Parkview Villas project, and plans to construct approximately 36 units for very low and low income seniors on this land. A total of $2,500,000 is programmed, to be expended in 2003-2004.

Altogether, these projects represent a total of 219 units to be constructed in the current planning period. The completion of the Las Colinas project in 2000, with 84 units, brings this total to 303. The City's RHNA allocation for very low and low income units is 268. The projects enumerated above, therefore, exceed the City's need. An additional 100 moderate income units should be constructed to meet the City's RHNA for moderate income households.

The newly annexed area, located on the east side of DaVall, north of Ramon Road, is likely to provide some of this housing in the moderate income range. Property owners in this area have already submitted plans to take advantage of the R-M-TOL designation, allowing smaller lots and reduced development standards. The project is likely to generate 255 moderately priced single family detached homes.

A new project, recently submitted, would result in the construction of 215 units on 40 acres located on Ramon Road. 25 acres of this parcel is currently designated for High Density Residential development. The balance, or 15 acres, is currently undergoing a City-initiated General Plan Amendment and Change of Zone from General Commercial to High Density Residential, so that the City can facilitate the development of the project.

Finally, the Vista Montana Specific Plan has been conditioned to provide 22 moderate income units within the latest tract proposed within it. This requirement for inclusionary housing will help City staff encourage the development of a broad range of housing units throughout the community. Altogether, therefore, the City has more units in the planning stages for this planning period than it requires to meet its housing need.

### Quantified Objectives

The rate of demolition in the City has historically been fewer than 5 units per year. The City's population is expected to steadily grow during the planning period, resulting in an expected need primarily in new housing, rather than in preservation or rehabilitation.

The City's total housing need for the period from 1998 through 2005 is 874 units, of which 470 are in the high income category. The need for this category is expected to be filled by new construction by private development interests.

The following Table demonstrates the expected needs, by income category, for the period from 1998 to 2005.

**Table III-28**
**Quantified Objectives Matrix 1998-2005**

| Income Category | Very Low | Low | Moderate | High | Total |
|---|---|---|---|---|---|
| New Construction | 157 | 111 | 135 | 470 | 874 |
| Rehabilitation | 30 | 25 | 40 | 0 | 95 |
| Conservation | 10 | 10 | | 0 | 20 |

**Affordable Units at Risk**

Many of the programs used throughout the Coachella Valley during the past twenty-five years to subsidize rental and ownership housing included time limits on affordability restrictions. Federal mortgage revenue bond regulations also have limitations on the number of years affordability restrictions remain in effect. The earliest of these affordability restrictions have begun to expire. This problem, which may result from an early pay-off of project financing or an "opting out" of Section 8 contracts, can have significant impacts on the communities in which these projects are located. For rental projects, the elimination of rent level restrictions has recently become particularly attractive to building owners as a result of several independent factors. The original owners of many affordable projects invested because of rapid depreciation, which created extraordinary tax shelter benefits. Many of those benefits have expired. Additionally, the Tax Reform Act of 1986 altered the federal tax structure for residential income property.

Many projects were re-syndicated after 1981 to take advantage of changes in the tax structure at that time. Many of these resyndications were accomplished through short-term financing with second mortgages. Pressures from rapid growth, and the desirability of the Coachella Valley, compound the problem by increasing the demand and rental prices for market rate rental units.

The California Coalition for Rural Housing described the ideal candidate for conversion or opting out as having the following characteristics:

- The project would be located in a suburban or rapidly urbanizing rural area.
- 00It would be in good physical condition and in a good location to command a market rent.
- The market area would be characterized by high growth, escalating housing costs, and low vacancy rates.
- The project would have rent levels lower than the prevailing rents for comparable units.
- The current owner would have a deferred second loan that is coming due, or have experienced tax shelter burnout either as a result of having accelerated the loss, or having lost the shelter through the imposition of tax reform.

In Rancho Mirage, the existing Villa Mirage project consists of 98 units of subsidized rental housing. The project was built in two phases, 50 and 48 units respectively, in 1985. The financing, arranged through the California Housing Finance Agency (CHFA), is subsidized through project-based Section 8 certificates. Forty eight of the certificates were issued for 30 years and will expire in the year 2015. The remaining 50 certificates were issued for a period of only 20 years and will expire in the year 2005. However, at the time of financing, an annuity through the Department of Housing and community Development Rental Housing Construction Program was put into place to provide subsidy for an additional 10 years. Therefore, neither component of the Villa Mirage Project is at risk before the year 2015.

Rancho Mirage Resort, built in 1984, is an ownership project targeted toward moderate income households. The project consists of a total of 189 units (160 townhouses and 29 detached homes). Units are 2 and 3 bedrooms, ranging from 840 sq. ft. to 1,200 sq. ft. The City, through its Redevelopment Agency, assisted the project by funding fees, off-site improvements, and upgraded landscaping.

Affordability is preserved through resale restrictions limiting future prices to base price paid plus changes in the Consumer Price Index and actual improvements made to the units. The majority of the project, 147 units, were limited for a period of five years to eliminate short term speculation and encourage owner-occupied units. These units are no longer subject to resale price restrictions, but have been selling in the $90,000 range, and are therefore affordable to moderate income families. The remaining 42 units are bound by resale restrictions and will remain affordable for 30 years after the date of the initial sales, or through the year 2014.

The City of Rancho Mirage does not currently have any projects assisted through the HUD Section 101,213,236,221D(3), 202, or multi-family revenue bond programs, as listed in the Inventory of Federally Subsidized Rental Units At Risk of Conversion, 1990. The City has not used CDBG funds for multi-family rental units. Redevelopment funds have been used for multi-family projects, as noted above, and all conditioned with a recorded regulatory agreement requiring a minimum of 20 years as affordable units. Density Bonus projects are similarly conditioned. The City has not been located in a qualifying rural FHA area and has not had an in-lieu fee program.

Although the City has no units at risk of conversion within the next 10 years, policies must be maintained to ensure all new projects with an affordable component maintain their affordability for the longest feasible time.

### Preservation of Mobilehome Parks as an Affordable Housing Opportunity

It has been estimated that a total of 1,243 households in the City are defined as Very Low or Low income. The Rancho Mirage Mobilehome Park Study (American Development Consultants, 1994) found that there were 582 very low and low income households within these parks, or 46.8% of the City's very low and low income households. The long term preservation of these mobilehome parks, therefore, will have a direct positive impact on the City's lower income residents.

## SPECIAL HOUSING NEEDS

Within the identified existing and future needs, there are households with identifiable special needs, as defined by the state. These groups include single parent households, farmworkers, the handicapped and the elderly. Each special needs category is discussed in greater detail below.

### Farmworkers

Farmworker housing is not an issue in the City of Rancho Mirage. The economy in the upper Coachella Valley has not been agriculturally based in several decades. There is therefore no need for farmworker housing in the City.

## Homeless

Homelessness is a difficult issue to quantify. The homeless are generally mobile, often crossing from one city or county into another. The mild winter climate in the Coachella Valley may attract the homeless in those months. Hot summer temperatures encourage the homeless to seek daytime shelter in air conditioned public places such as libraries, malls, and other public buildings.

The primary provider of services to the homeless in the Coachella Valley is Catholic Charities, a non-profit, non-denominational organization. Catholic Charities staff reports that the reasons for homelessness include sudden job loss, illness and lack of medical insurance, family break-ups, and seasonal job lay-offs or reduction in hours.

Catholic Charities and the County Housing Authority operate Nightingale Manor, a 14 unit emergency shelter for homeless families. The shelter is located in Palm Springs, but serves the entire Coachella Valley region.

Nightingale Manor shelters approximately two hundred families per year. A minimal number of the families sheltered at Nightingale Manor report Rancho Mirage as prior residence. Other transient homeless stay in public parks, under bridges, and in vacant properties. Actual numbers of homeless fluctuate seasonally.

Other groups of homeless individuals not served by the facility at Nightingale Manor include the mentally ill, those with chemical dependencies, and those who voluntarily choose a transient lifestyle. These individuals may be served by the Coachella Valley Rescue Mission, located in Indio, or by the emergency Cold Weather Shelter, located at the National Guard Armory in Indio, in the winter months. These facilities provide only emergency shelter and do not deal with the causes of homelessness. Facilities which provide recovery services as well as shelter are limited and include the ABC Club and Lost Heads Ranch. Both generally have waiting lists and are located outside the City.

The Riverside County Sheriff's office picks up two to three transients a year in the City of Rancho Mirage, primarily during the winter months. Transients are generally asked to leave the property they are using as temporary shelter and move on.

The City's Zoning Ordinance does not specifically list homeless shelters in its lists of permitted uses. Should the City receive a request for such a use, the Zoning Ordinance includes procedures which allow for the interpretation of listed uses. In order to clarify the City's standards, and since the Zoning Ordinance is currently being reviewed by the City, a program has been included in this Element which requires that the use be specifically listed in the Zoning Ordinance.

## The Elderly

Rancho Mirage has a very large senior citizen population. In 1990, 56% of the City's population was age 55 or over, and 49% was age 60 or over. Demographic characteristics of the elderly from the 1990 Census are shown in Table II-29.

**Table III-29**
**Demographic Characteristics of the Elderly – 1990 (Age 65 and Over)**

| Population Age 65 and Older | Number: 3,706 | Percent: 38% of Total Population |
|---|---|---|
| Group Quarters | 129 | 3.5% of Elderly Population |
| Living Alone | 750 | 20% of Elderly Population |
| Female Living Alone | 559 | 15% of Elderly Population |
| Male Living Alone | 191 | 5% of Elderly Population |
| Living with Family | 2,674 | 72% of Elderly Population |
| Living in Owner Occupied Units | 2,094 | 57% of Elderly Population |
| Living in Renter Occupied Units | 230 | 6% of Elderly Population |

Source: 1990 Census

The 1990 Census indicates 2,387 households in Rancho Mirage receive Social Security. The mean income for these households is $10,459, well below the definition of very low income. Census data also show 1,032 households receive retirement income. The mean income of these households is $15,345.

Affordability can be an issue of special concern to the elderly, who are often on fixed retirement incomes. In addition, the elderly may require assistance with housekeeping, maintenance, and repairs to remain in their own homes as long as possible. Special design features that may be needed include elimination of barriers such as steps and the provision of recreational and social amenities for the elderly.

The City of Rancho Mirage owns and operates Parkview Villas, an 82 unit seniors-only apartment complex. Within the project, 57% of residents are either very low or low income households.

Two new projects provide senior households with affordable housing within the city. First, the Whispering Waters project, which provides 10 very low income and 19 low income households with rental units; and second the Las Colinas projects, which has 5 very low income units and 78 low income units.

As the elderly become less independent and require more constant care, a continuum of housing options becomes important, ranging from independent unassisted living, to congregate or board and care facilities which provide meals, maid service, and social opportunities to nursing care facilities which provide complete medical care. In addition to the services available at Eisenhower Medical Center, a number of convalescent, assisted living or similar facilities are being constructed in Rancho Mirage primarily on Bob Hope Drive and Country Club Drive. They include Ardan Residential Care, with 56 beds; Brighton Gardens, with 161 beds; Eisenhower Village, still under construction; Mirage Inn, with 133 beds; and the Wellington with 179 beds. These facilities, operated by private entities, provide a continuum of care to the elderly population.

### Handicapped

The 1990 Census identified 1,134 persons in the City with disabilities, of which 677 were 65 years of age or older. This relatively high number of disabled households is due to the high percentage of senior households in the City. No data is available regarding how many households are disabled in the City.

No data is currently available, which correlates disability to income, and not all disabling conditions impact an individual's income or housing needs. Many disabilities, however, lead to special housing needs such as ramps, wider doors and hallways, lower cabinets and countertops and grab bars.

The Americans with Disabilities Act requires that all new multi-family construction include a percentage of units accessible to the handicapped. The City of Rancho Mirage building Department monitors and requires compliance with these standards as part of the Building Permit review, issuance, and inspection process.

### AIDS

The Desert AIDS Project (DAP) reports that it has 65 clients in Rancho Mirage. Although other residents may be HIV-positive, most DAP clients have progressed into the symptomatic stages of the disease. As the disease progresses, persons with AIDS (PWA's) often become unable to work, lose their source of income, and lose their medical insurance. Housing affordable to low income people, including group homes and hospice care, become special housing needs of PWA's.

### Large Families

The 1990 Census indicates there are 134 households in Rancho Mirage with five or more members. The Census also shows that there were 822 housing units in the City with four or more bedrooms, 180 of which had 5 or more bedrooms. Large families have a special need for three, four or more bedroom units. No data is available regarding the relationship of these larger units to affordability.

### Single Parent Families and Female Headed Households

1990 Census data indicates there are 183 single parent families in Rancho Mirage, 29 with a male head of household and 154 with a female head of household. The Census further estimates that 24 of these female-headed families have incomes below poverty level.

Single individuals with dependent children need housing which is both affordable and located close to daycare facilities and schools.

Female headed households are predominantly a low income group. Compared to other households, this group:

- has low incomes and high poverty rates
- pay high percentages of income for housing
- has a low home ownership rate
- has high rates of overcrowding
- is younger

The 1990 Census indicates there are 106 children under 18 years of age in Rancho Mirage living in families whose incomes are below the national poverty level. Of these, 38 live in female headed households.

Primary housing needs include affordability and units of sufficient size.

### First Time Homebuyers

First time homebuyers are often limited by a lack of funds for the necessary down payment and closing costs. The 1995 median value of a home in Rancho Mirage was $218,750. A twenty percent down payment is $43,750, beyond the reach of many working first time home buyers. Less expensive homes in the $100,000 to $125,000 range, more affordable to new homeowners, could require a down payment of $20,000 to $25,000 for conventional financing. Financing allowing smaller down payments (90% to 95% financing) or assistance in making down payments can be important contributions for first time home buyers.

### Rental Rates

The monthly rental rates for Rancho Mirage range from $375 to $878. Based on the 30% gross household income standard, a monthly income of $2,066, or annual rate of $24,792 is needed to afford a rent of $620 per month.

**Table III-30**
**Representative Apartment**
**Market Rates in Rancho Mirage, 2000**

| Project Name or Address Total Units | Unit Type | Rental Rate |
|---|---|---|
| Desert Braemar (100) | 1&2 Bdrm | $380-412 |
| Villa Mirage* (98) | 2&3 Bdrm | $774-878 |
| Whispering Waters (29) | 1 Bdrm | $375-500 |
| 70-200 Thunder Rd. (4) | 2 Bdrm | $550 |
| 39-905 Bird Lane (15) | 2 Bdrm | $600-650 |
| 39-881 Bird Lane (8) | 2&3 Bdrm | $600-650 |

*Units are subsidized through CHAFA, HUD or other programs.

The rental rates described above show a variety of apartment sizes available at a range of rental rates.

In addition, as discussed above, the City's mobilehome parks provide a significant affordable housing opportunity, housing 582, or 46.8% of the City's very low and low income households.

### Energy Conservation

The hot summer climate in Rancho Mirage and the need for cooling makes energy conservation particularly important. Title 24 and Building Code regulations require energy efficiency in all new construction of housing through design features, insulation, and active solar devices.

An unfortunate side effect of requiring energy efficient new construction is an increase in the cost of construction of new housing. When evaluating energy efficiency standards above and beyond the State-mandated Title 24, local jurisdictions must balance the increase in the cost of housing with the reduction in monthly utility bills for the user.

Land use patterns also impact energy conservation. Infill and concentrated land use patterns minimize travel time and distance to work and shopping destinations. Mass transit is most efficient

when traveling major corridors that link population centers and employment centers. More rural land use patterns discourage mass transit and alternative modes of transportation such as buses in favor of automobiles, contributing to energy consumption.

The City's development regulations, building regulations and General Plan enforce the standards required in Title 24, as well as providing encouragement for the use of energy efficient construction techniques. In addition, the City's Redevelopment Agency and Housing Authority encourage energy efficiency in their own projects. As an example, after acquiring the Parkview Villas complex to preserve its affordability, the Redevelopment Agency installed a solar water heating system as an energy conservation measure.

## CONSTRAINTS TO THE DEVELOPMENT OF HOUSING

The supply of housing for households of all income levels is affected by a variety of constraints, some governmental and some non-governmental. These factors may affect the number of units build, the size and suitability of the unit, and the price of the unit. Some constraints are beyond the control of local governments, but others may be reduced or eliminated at the discretion of the local government.

### Governmental Constraints

During the past decade, the federal government has significantly reduced funding for affordable housing programs. Since the demand for affordable housing has increased during this same period, as a result of overall population growth, the burden for providing affordable housing has been shifted to local governments without the addition of new resources. Local governments are often in the position of allocating scarce resources in an attempt to meet seemingly unlimited needs.

Local governments impose a variety of codes and regulations which affect the affordability of housing.

### Land Use Controls

Every city must have a General Plan which establishes policy guidelines for all development within the City. The Land Use Element of the General Plan designates specific areas for different types of development and establishes density ranges for residential development. Zoning, which must be consistent with the General Plan, establishes more specific development standards, allowable uses, and limitations.

The City of Rancho Mirage General Plan establishes the categories and densities for residential development as shown in Table III-31.

**Table III-31**
**Residential Land Use Categories**

| Designation | Maximum Density | Purpose |
|---|---|---|
| **R-L** Low Density | 2 du/ac | Attached and detached single family development, country club development, residential estates |
| **R-L-3** Low Density | 3 du/ac | Single family subdivisions, planned residential developments using transfers in density to provide common open space. |
| **R-M** Medium Density | 5 du/ac | Single family subdivisions, multi-family developments, planned developments, mobilehome parks, affordable housing. |
| **R-H** High Density | 9 du/ac | Single and multi-family planned developments, apartments, mobilehome parks, affordable housing |
| **MHP** Mobilehome Park | 9 du/ac | Preservation of existing mobilehome parks |
| **HR** Hillside Reserve | 1 du/640 ac | Areas of steep slope, sensitive habitats |
| **MU** Mixed Use | Varies | Combined residential and commercial development, specific plan required. |
| **RE** Residential Estates | 1 du/ac | Single family homes, estate residential |

Source: City of Rancho Mirage Plan, Land Use Element, 1996

**Land Availability**

Table III-32 shows the currently available residentially designated land in the City, and maximum unit buildout.

**Table III-32**
**Vacant Acreage Residential Buildout – 1995**

| Designation | Maximum Density | Vacant Acres | Dwellings Units | Population Per Unit | Maximum Additional Population |
|---|---|---|---|---|---|
| **R-L** Low Density (single family) | 2 du/ac | 1,156 | 2,312 | 2.05 | 4,740 |
| **R-L-3** Low Density (single family) | 3 du/ac | 298 | 894 | 2.05 | 1,833 |
| **R-M** Medium Density (single or multi-family) | 5 du/ac | 629 | 3,145 | 2.05 | 6,447 |
| **R-H** High Density (multi-family) | 9 du/ac | 212 | 1,908 | 2.05 | 3,911 |
| **MHP** Mobile Home Park | 9 du/ac | 0 | 0 | 0 | 0 |
| **MU** Mixed Use | 6.5 du/ac | 48 | 312 | 2.05 | 640 |
| **HR** Hillside Reserve | 1 du/640 ac | 4,389 | 7 | 2.05 | 14 |
| **Total** | | **6,732** | **8,578** | | **17,585** |

The City has estimated the five year need for housing affordable to all income ranges for the period 1998 to 2005 to be 874 units. Sufficient vacant acreage is available to provide this number of units. There is also sufficient range of allowable densities in the vacant acreage to allow for the development of housing in a variety of types (single family, multi-family) and costs.

The City has designated two Redevelopment Project Areas, which together comprise the majority of the City. Few sites are suitable for redevelopment into residential use, however. The majority of the project areas are already residential. Commercially zoned property is primarily located along Highway 111 in areas not well suited for residential development.

Mixed use areas which could include a residential component are included in Table III-32 above.

In addition to the vacant acreage quantified in Table III-32, a number of infill parcels are scattered throughout developed areas of the City. No data is available on the number of these parcels, but they provide an additional land resource for future housing development. At this time, the General Plan is not, in itself, a constraint.

**Density**

The City has an established pattern and character of development of high design standards and low densities. It is the established policy of the City to maintain this community character for all new development, including affordable housing projects.

Maintaining low densities increases the cost of construction per unit. Clearly, if affordability to very low and low income households is to be achieved, increased levels of subsidy will be required. The City of Rancho Mirage is in the unique position of being able to meet these requirements through the Redevelopment Agency's Low and Moderate Income Housing Set-Aside Fund.

The Set-Aside Fund receives an average annual cash flow of tax increment funds of an estimated $3.6 million. In 2000-2001, the Set-Aside Fund balance is $12.4 million. The City, through its Housing Authority, has allocated $16.6 million specifically to assist in the construction or preservation of affordable housing projects through the planning period. The allocated funds are shown in Table III-33, below.

**Table III-33**
**Planned Set-Aside Fund Expenditures for Affordable Housing Projects**

| Project | Amount |
|---|---|
| Blue Heaven Mobilehome Park | $ 2,000,000 |
| Whitewater Senior Project | 2,500,000 |
| Monterey Village Project | 11,200,000 |
| Home Improvement Program | 900,000 |
| **Total** | **$16,600,000** |

Source: Implementation Plan, 1999-2005

The Monterey Village project is a portion of a large City-owned holding in the northern portion of the City. In 1995-96, the City expended funds in the preparation of a development plan for 20 acres to be devoted to affordable housing development. The City now intends to extend infrastructure and roadways to the project site, and implement development of the project, which will be a mix of ownership and rental products, in fiscal year 2002 through 2004.

In combination with other tools available to the City, such as tax exempt financing and density bonuses, the Set-Aside Fund will be sufficient to meet the City's housing needs while maintaining the community's high quality, low density character.

As previously stated, the City's Redevelopment Agency currently maintains a fund balance of $12 million for affordable housing projects. In addition, the City expects to receive more than $3.6 annually, on average, through the planning period. This results in the following revenues and expenditures:

**Table III-34**
**Housing Authority Revenues and Expenditures, 2000-2005**

| | 2000-2001 | 2001-2002 | 2002-2003 | 2003-2004 | 2004-2005 |
|---|---|---|---|---|---|
| Beginning Balance | $12,430,539 | $10,510,496 | $7,068,766 | $8,397,350 | $1,107,766 |
| | | | **Revenues** | | |
| 20% Set Aside | 3,111,160 | 3,278,380 | 3,558,180 | 3,842,834 | 4,150,261 |
| Other Income (Interest) | 506,000 | 516,000 | 526,000 | 520,000 | 50,000 |
| **Total Revenues** | **3,617,160** | **3,794,380** | **4,084,180** | **4,362,834** | **4,200,261** |
| | | | **Expenditures:** | | |
| Home Improvement Program, Administration | 1,359,130 | 1,860,282 | 1,743,779 | 1,652,418 | 1,784,612 |
| Las Colinas | 4,178,073 | | | | |
| Blue Heaven/Santa Rosa Villas, 33 Units | | 5,375,828 | | | |
| Monterey Village, Infrastructure | | | 1,011,817 | | |
| Monterey Village, 150 units | | | | 10,000,000 | |
| Whitewater Project, 36 units | | | | | 2,500,000 |
| **Total Expenditures** | **5,537,203** | **7,236,110** | **2,755,596** | **11,652,418** | **4,284,612** |
| **Ending Balance** | **10,510,496** | **7,068,766** | **8,397,350** | **1,107,766** | **1,023,415** |

The Table clearly demonstrates that with the funds available, the City will be able, through the planning period, to fund the projects necessary to meet its very low and low income housing need allocation.

### Zoning Constraints

The City's Zoning Ordinance establishes the specific uses allowed or prohibited for each land use designation, and specific development standards such as required parking and setbacks.

The Residential Zone portion of the ordinance impacts housing affordability in several ways.

**Table III-35**
**Residential Development Standards**
**Minimum Area Requirements for Residential Zones**

| Zones/Uses | Livable Area in Sq. Ft. | Bedroom Maximum Number | Baths Minimum Number | Parking Required |
|---|---|---|---|---|
| Single Family Detached | 1,400<br>1,700<br>1,900 | 2<br>3 or 2+Den<br>4 | 1-1/2<br>1-3/4<br>2 | 2 Spaces in Garage |
| Condominium Planned Unit Development | 850<br>1,250<br>1,650 | 1<br>2<br>3 | 1<br>1-3/4<br>2 | 2 spaces in garage and 1 guest space per unit |
| Apartments | 600<br>800<br>1,000 | 1<br>2<br>3 | 1<br>1-1/2<br>1-3/4 | 1 covered/1 uncovered<br>2 covered/1 uncovered<br>2 covered/1 uncovered |
| Senior Group Housing | 410<br>510-570<br>610-670 | Studio<br>1<br>2 | 1<br>1<br>2 | 1 covered/1 uncovered<br>1 covered/1 uncovered<br>1 covered/1 uncovered |

Source: City of Rancho Mirage

**Table III-36**
**Minimum Development Standards for Residential Zones**

| | R-E *Residential Estate* | R-L *Low Density* | R-L-3 *Low Density* | R-M *Medium Density* | R-M-TOL *Medium Density* | R-H High Density | MHP *Mobile Home Park* |
|---|---|---|---|---|---|---|---|
| Maximum Units/Acre | 1 | 2 | 3 | 5 | 5 | 9 | 9 |
| Lot Area | 1 ac. | (a) | (a) | (a) | 6,200 | (a) | (a) |
| Lot Width | 100 | (a) | (a) | (a) | (a) | (a) | (a) |
| Lot Depth | 100 | (a) | (a) | (a) | (a) | (a) | (a) |
| Front Setback | 25 | 25(a) | 25(a) | 25(a) | 15(a) | 25(a) | 10 |
| Rear Setback | 25 | 25(a) | 25(a) | 25(a) | 18(a) | 25(a) | 10 |
| Side Setback | 10 | 10(a) | 10(a) | 10(a) | 10 | 10(a) | 5 |
| Building Lot Coverage | 30% | 30%(b) | 30% | 30%(b) | 40% | 30%(b) | 30%(b) |
| Distance Between Buildings | 20 | 20 | 20 | 15 | 20 | 10 | |

(a) These dimensions vary in Planned Unit Development, Mixed Use and Mobilehome Parks, and will be determined during Development Plan review.
(b) Gross area of total project area for Planned Unit Developments and Mobilehome Parks.
(c) This standard can be reduced up to twenty-five percent for affordable units.

Source: City of Rancho Mirage

The Zoning Ordinance also establishes minimum room sizes for all residential zones. These are shown in Table III-37.

**Table III-37**
**Minimum Room Size**

| Use | Minimum Area (S.F.) |
|---|---|
| Garage | 400 |
| Bedroom | 140 |
| Full Bath | 50 |
| Three-Quarter Bath | 40 |
| Half Bath | 30 |

Source: City of Rancho Mirage

For affordable housing projects, the City has developed less restrictive standards, as shown in Table III-38.

**Table III-38**
**Minimum Area Requirements for Affordable Housing Projects**

| | Livable Area in Sq. Ft. | Bedroom Maximum Number | Baths Minimum Number |
|---|---|---|---|
| Single Family Detached | 1,200 | 2 | 1-1/2 |
| | 1,500 | 3 or 2+den | 1-3/4 |
| | 1,700 | 4 | 2 |
| Condominium, Planned Unit Development | 850 | 1 | 1 |
| | 1,200 | 2 | 1-3/4 |
| | 1,500 | 3 | 2 |
| Apartments | 600 | 1 | 1 |
| | 800 | 2 | 1-1/2 |
| | 1,000 | 3 | 1-3/4 |
| | 1,200 | 3+ | 2 |
| Senior Group Housing | 410 | Studio | 1 |
| | 510-570 | 1 | 1 |
| | 610-670 | 2 | 2 |

Source: City of Rancho Mirage

Design standards such as roofing materials, architectural enhancements, and landscaping also increase the costs of housing. The City's established policy is that, with the exception of density bonuses, minimum unit areas and reduced parking for senior housing and affordable housing projects should meet the same design standards as other residential developments. As a result, additional subsidy may be required.

Projects including new residential construction are normally required to install all necessary on- and off-site improvements, including streets, curbs, sidewalks, and water and sewer connections. Infrastructure improvements may be in place at infill lots.

Typical infrastructure requirements in Rancho Mirage include:

- Local streets: 60' right of way; 40' wide street.
- Restricted local street: 50' right of way; 36' wide street.
- Secondary street: 88' right of way; 64' wide street.
- Concrete 6" curbing.
- Connection to the nearest water and sewer mains.

Actual requirements vary according to each specific site. The requirements for each project, in accordance with the City's General Plan, are intended to connect the project site with the City's existing infrastructure and provide for the needs of the project's residents.

The requirements to install infrastructure impact the cost of housing projects. However, the projects themselves need the infrastructure improvements. In those instances where the infrastructure

costs, in combination with other costs of construction, create economic infeasibility, the City may choose to subsidize the infrastructure improvements through the Redevelopment Agency or Housing Authority.

### Building Code Requirements

The City has adopted and enforces the Uniform Building Code (UBC) to ensure all housing units are constructed to be safe for the occupants. The City cannot adopt standards that are less stringent than the UBC, which is used throughout California. Imposition of the UBC does not unduly impact the cost of housing in Rancho Mirage in comparison to any other community in the State.

### Fees

Since the passage of Proposition 13 in 1978 and the resulting reduction in tax revenues, California cities have sought new ways to generate revenues. In many instances, cities have imposed new fees or increased existing fees to cover the costs of providing services to new development. School districts also charge a fee of $2.05 per square foot of residential construction to offset the costs of providing new schools.

Estimated fees for typical single and multi-family residential development in Rancho Mirage are shown in Table III-39. A comprehensive listing of residential development planning fees is depicted in Table III-40. Additional fees may be charged for review of planning applications such as tract maps or planned development permits, architectural review, and environmental review. Both TUMF fees and license tax for new construction provide exemptions for affordable housing projects.

It is clear fees raise the ultimate cost of housing to the consumer. However, cities generally have no other options for recouping the costs of providing necessary services to residents. Instead, cities may increase needed subsidy to achieve affordability.

**Table III-39**
**Development Fees – City of Rancho Mirage – 2000**

| | Single Family 1800 sq. ft. | Single Family 2500 sq.ft. | Multi-Family 20 Units; 2 Bedrooms/800 sq. ft. |
|---|---|---|---|
| **Estimated Construction Valuation** | **$134,690** | **$219,695** | **$1,276,800** |
| Fees: | | | |
| ➢ Building | $ 888.00 | $1,108.50 | $ 4,798.50 |
| ➢ Plan Check | 577.20 | 720.53 | 3,119.03 |
| ➢ Mech., Elect., Plumbing | 450.00 | 450.00 | 4,000.00 |
| ➢ License Tax | 2,358.00 | 3,894.00 | 20,960.00 |
| **Subtotal** | **$4,273.20** | **$6,173.03** | **$32,877.53 ($1,643.88/unit)** |
| Non-City Fees | | | |
| ➢ SMIP | $ 17.05 | $ 23.25 | $ 1,276.80 |
| ➢ TUMF | 79[1]4.31 | 794.31 | 11,005.80 |
| ➢ School Fee | 3,690.00 | 5,125.00 | 32,800.00 |
| **Subtotal** | **$4,501.36** | **$5,942.56** | **$45,082.60 ($1,643.88/unit)** |
| **TOTAL** | **$8,774.56** | **$12,115.59** | **$77,960.13 ($3,898.01/unit)** |

Source: City of Rancho Mirage

**Table III-40**
**City of Rancho Mirage - Planning Fee Schedule**

| | |
|---|---|
| General Plan Amendment | $ 2,055 |
| Specific Plan | 3,670 |
| Zone Map Amendment | 1,321 |
| Conditional Use Permit | 693 |
| Variance | 734 |
| Architectural Design Review | 376 |
| Development Agreement | 1,644 |
| Codes, Covenants & Restrictions (CC&Rs) Review | 441 |
| Preliminary Development Plan Time Extension | 880 |
| Conditional Use Permit Time Extension | 441 |
| Tentative Tract/Parcel Map Time Extension | 880 |
| Development Agreement Time Extension. | 441 |
| Preliminary Development Plan | |
| ➢ Five acres or less | 1,174 |
| ➢ Each additional acre | 47 |
| Final Development Plan | |
| ➢ Five acres or less | 1,145 |
| ➢ Each additional acre | 30 |
| Combined Preliminary/Final Plans | |
| ➢ 5 acres or less | 1,641 |
| ➢ Each additional acre | 29 |
| Single Family Dwelling Permits | |
| ➢ Staff Review | 200 |
| ➢ Planning Commission/City Council | 118 |
| Environmental Assessment | 288 |
| Environmental Impact Report | 446 |
| Zoning Interpretation | 89 |
| Appeals | 294 |
| Tentative Parcel Map | 234 |
| Revisions after approval | 58 |
| Tentative Map Filing Fee | 294 |
| ➢ Plus Plan Check | 58 |
| ➢ Plus $2.94 per lot, $50 minimum | |

Source: City of Rancho Mirage

**Permit Processing Procedures**

The City of Rancho Mirage processes permits for all housing projects, including:

Market Rate and Affordable Housing Projects: Condominiums, apartments, single family tract home proposals, whether affordable or market rate, are subject to the Development Plan Permit (DPP) process, requiring staff, Architectural Review Board (ARB), and Planning Commission review and approval. The Architectural Review Board has been established to ensure that the development standards required in the Zoning Ordinance, include unit size, density and parking, are met in each development proposal. The DPP consists of two applications: the Preliminary Development Plan (PDP) and the Final Development Plan (FDP).

Preliminary Development Plan To commence the process, the applicant first submits to the Planning Division the PDP application, which includes several plans and public hearing materials (see application form for complete requirements).

- Staff reviews the application and notes any corrections in a letter to the applicant within thirty (30) days of submittal. Project plans are routed to various public agencies (e.g., Fire Marshal, Coachella Valley Water District, etc.) and the City engineer for their comments.

- When all corrections are made by the applicant and the application is deemed "complete", the proposal is scheduled for review by the ARB. The ARB is an advisory board, commenting on architecture, landscaping, and site design. They may recommend forwarding the proposal to the Planning Commission or returning it to the applicant for corrections and additional ARB review. Most applicants willingly agree, and make the recommended ARB changes.

- Upon completion of ARB review, the proposal is scheduled for a public hearing before the Planning Commission. A staff report is prepared, including conditions of approval and an environmental assessment. The Commission may continue, deny or approve the application.

Processing time for most PDPs, from submittal to City Council action, averages two to three months. The amount of time may vary depending on the applicant's response time for corrections or other items requested by the City. An approved PDP is valid for one year. Within that time, an FDP application, described below, most be submitted and approved. The applicant may request a one year extension of the original approval. The extension request by the applicant requires submittal of a letter explaining the need for the extension, as well as a fee. Both must be submitted thirty (30) days prior to the expiration date of the PDP. Extension requests are subject to Planning Commission review and City Council approval, and require one to two months to process.

The above description assumes the adoption of a Negative Declaration of Environmental Impact by the Planning Commission. The environmental review, required by State law, is considered concurrently with the PDP. An environmental Impact Report would add several months to the process.

Final Development Plan The FDP application, submitted to the Planning Division, consists of the project's construction plans prepared in accordance with the approved PDP application and its Conditions of Approval. As long as the project substantially conforms with that approved by the City Council, the FDP is approved by Planning Division staff. The FDP is the "title" given only to Planning Division construction plan submittal. Obviously, submittals are also required to the City's Building and Engineering Divisions. Each division reviews the proposal and informs the applicant of any corrections. Conformance checks between the three divisions are done to ensure plan consistency. The FDP and the Building and Engineering Division submittals must all be approved prior to building permit issuance.

The FDP may be approved within two to four months of the PDP approval. Construction of the project must begin within one year of the FDP approval, or the approval expires. The original FDP

approval may be extended by the City Council in the manner described for extensions under the PDP discussion.

The applicant may receive FDP approval from the Planning Division prior to receiving approvals from Building and Engineering. In addition, several other agencies review and approve the construction drawings prior to building permit issuance, including water and sewer providers and utility companies. The other agencies' workloads and requirements, as well as the applicant's degree of willingness and readiness to respond to any requirements, makes it difficult to determine the average time between FDP submittal and building permit issuance.

Parcel and Tract Maps Housing projects may also require the processing of subdivision maps to create the necessary lots and/or site configuration. Whether a parcel map (four or fewer lots), or tract map (five or more lots), the project and environmental review and approval process and time involved are the similar to the PDP application, except that ARB review is not required. The subdivision map may be processed concurrently with the PDP.

Initially, subdivisions are given tentative approval by the Planning Commission, valid for two years. Within that time, a Final Map must be submitted and approved by the City Council as a non-public hearing item. The Final Map application is almost exclusively handled by the Engineering Division. Should the applicant not be able to receive an approved Final Map within the two year initial life, one year extensions, as provided by State law, are possible.

As with the FDP application, time between Tentative and Final Map approval is difficult to determine and is dependent upon the numerous public agencies involved in the Final Map review, as well as the degree of applicant responsiveness.

These processing times are not perceived as excessive by the development community, and in themselves, do not significantly impact housing construction costs.

**Code Enforcement**

The Code Enforcement process is an area of regulation which has the potential to result in the loss of affordable units. However, it is also an important tool which can be used to require landlords to maintain rental units in habitable condition. The City's Building Department enforces the Uniform Building Code (UBC) of the State of California to ensure that new construction is safe for the occupants, and is properly maintained. The Code Enforcement Department is responsible for the ongoing maintenance of housing units in a safe and habitable condition.

Code compliance for structural deficiencies or maintenance problems is processed as follows: A phone call is made to the property owner, and/or a site visit is made. In most instances, this is sufficient to cause the violation to be corrected by the property owner. The property owner is generally given 20 days to correct the violation. If a personal contact is not possible, the Code Enforcement Department will send a letter to the owner of record. The City has the ability to directly abate a violation, if the owner is unwilling or cannot be located. All costs associated with abatement are billed to the property owner. If the owner is unwilling to pay, a tax lien is placed on the property.

These procedures are typical of those employed by most cities in California, and do not place an undue constraint on the development or maintenance of housing.

### Article XXXIV

Article XXXIV of the California Constitution requires voter approval of affordable housing developments when they are developed, constructed, or acquired in any manner by a public agency. Rancho Mirage voters considered and passed an Article XXXIV referendum in 1981. The authorization was not for any specific site or project.

Article XXXIV requirements do not apply to projects that are owned by a private developer, owned by a private non-profit organization, or contain less than 50% affordable units.

### Economic Constraints

Non-governmental constraints to affordable housing in Rancho Mirage include the cost of land, cost of construction, and cost of financing. These factors are determined on a regional or national basis.

### Land Costs

The cost of land is an important component of housing costs. The rapid increase in land costs throughout Southern California has pushed up housing costs simultaneously. Land in the Coachella Valley has been, and remains relatively affordable compared to other Southern California markets, bug increased demand for housing due to population growth and in-migration will continue to put upward pressure on land costs.

A survey of selected realtors listing vacant residential property in Rancho Mirage revealed prices ranging from $6 to $10 per square foot for an improved single family residential lot. Property zoned for low density planned development with all necessary infrastructure was approximately $7 to $7.50 per square foot. Large acreage parcels requiring subdivision and the installation of infrastructure (utilities available nearby) zoned for single family or planned development projects range from $1.15 per square foot to $2.65 per square foot.

These land values are significantly higher than in many other Coachella Valley communities where improved single family lots are available for less than $5 per square foot. Although the City does not determine the price of land, land use policies regulating the number of units built per acre directly impact the cost of each dwelling unit.

### Construction Costs

Construction costs are the result of the current costs of labor, materials, and short-term financing. Single family construction costs are estimated to range between $46 and $60 per square foot depending on home design and materials selected. Multi-family construction costs range from $40 and $60 per square foot, again depending on design. The City cannot directly control construction costs, so increases in these costs directly affect the need for subsidy to achieve affordability in residential units.

### Financing Costs

Financing costs impact both the purchase price of the unit and the home buyer's ability to purchase. Interest rates fluctuate in response to national factors. Currently relatively low (8% to 9%), they can change significantly and substantially impact the affordability of the housing stock. However, the City may develop and implement programs to write down interest rates in order to increase affordability. There are no known mortgage deficient areas in the City. Financing for both construction and long term mortgages is generally available subject to normal underwriting standards.

### Homeowner's Associations

In many condominium, country club, and closed gate communities, homeowners are charged mandatory monthly Homeowner's Association dues. Although the initial purchase price of many country club communities exceeds the definitions of affordable to moderate income households, in some projects the initial price of the unit is affordable. However, when the total housing payment (principal, interest, taxes, and insurance) is combined with a substantial monthly Homeowner's Association fee, the total payment can exceed 30% of the household's income.

## PHYSICAL CONSTRAINTS

### Maintenance of Housing Stock

Housing stock over 30 years of age begins to deteriorate if not properly maintained. Tenants in rental properties are often unable or unwilling to make extensive repairs and rehabilitation. Owners of older single family units and mobilehomes may also not have sufficient income to make major rehabilitations. Unchecked, this deterioration of portions of the housing stock negatively impacts the supply of affordable housing.

Although the majority of housing in Rancho Mirage is relatively new, 9% of the units in the City are over 30 years of age.

### INFRASTRUCTURE

Although most of the City's infill development sites are not constrained by the lack of infrastructure, there are a few areas with currently inadequate services.

- Thunder Road area consists of three cul-de-sac streets (Bird, View and Estates Roads) off Thunder Road, is zoned R-H (high density residential), and could be an appropriate location for affordable multi-family housing. New development in this area has been halted, however, by inadequate water pressure. The current four inch water line serving the area does not deliver sufficient water pressure to meet fire flow requirements. Therefore, any new development in the area must replace the existing four-inch line with a minimum eight-inch line. This substantial cost has rendered single lot projects in the area economically infeasible.

- Peterson and Mirage Cove is an area of one acre and larger equestrian lots without sewer service. The homes are now on septic systems, and some still have individual wells for domestic water supply. As long as the septic systems and wells remain functional, the

homeowners will not be required to put in other systems. New homes in the area are being required to put in a dry sewer lateral at the time of construction to allow for eventual hook-up to a system once installed.

- Magnesia Falls area is still on a septic tank system, however, the residents recently approved an assessment district which will fund the installation of sewer lines.

- Vista Dunes and Vista del Sol is an area of one acre lots lacking adequate infrastructure. The property owners are currently working to form an assessment district to install necessary infrastructure and remove this impediment to development.

- Section 30, in the northern part of the City, also does not currently have sewer service. In addition, there are several unpaved roadways in the area. This part of the City, which has recently felt increasing pressure to develop, will require servicing in the near mid-term.

These areas of infrastructure limitations may be corrected by the installation of needed sewer and water lines as well as streets, where needed. Particularly in the Thunder Road and Section 30 areas, if the City wishes to encourage affordable residential development, this constraint may need to be addressed through the use of Housing Set-aside Funds.

All other areas of the City are not subject to infrastructure constraints.

**Public Participation**

The preparation of this Housing Element Update included public participation in the form of workshops and public hearings. The first workshop, including the Housing Commission, Planning Commission and City Council, was advertised in the Desert Sun, as well as the City's usual posting locations. The public hearings, held individually through the Planning Commission and City Council, were also fully noticed public hearings. In addition, the City advertised all public hearings on the Housing Element in the display advertising section of the newspaper, and mailed notices to the Coachella Valley Housing Coalition, Riverside County Housing Authority, Habitat for Humanity, and similar organizations. The notice was also mailed to or posted at all affordable housing projects in the City. No comments have been received in response to these notices as of this writing. Should the City receive comments, it will consider them during the public hearing process.

## HOUSING GOALS, POLICIES AND PROGRAMS

### GOAL 1

A variety of housing types that meet the needs of residents within the City.

### GOAL 2

Housing to meet the needs of the City's lower income households.

## GOAL 3

The preservation and maintenance of the City's affordable housing supply in a safe and sanitary condition.

**Policy 1**
The General Plan shall provide for a mixture of residential densities dispersed throughout the City.

**Program 1.A**
The City shall monitor the remaining supply of vacant land in all residential zoning categories.
**Responsible Agency:** Community Development Department
**Schedule:** On-going

**Program 1.B**
The City shall review and revise its residential development standards, as needed, to ensure that a variety of housing types are accommodated without sacrificing the City's design standards.
**Responsible Agency:** Community Development Department
**Schedule:** 2001

**Program 1.C**
The City's Density Bonus Ordinance shall be amended to satisfy the requirements of State law.
**Responsible Agency:** Community Development Department
**Schedule:** 2001

**Policy 2**
The City's residential development standards shall allow for a diversity of housing types while adhering to the General Plan's community design policies.

**Policy 3**
Affordable housing developments shall be distributed throughout the City rather than concentrated in one area.

**Policy 4**
Rental projects developed in the City to provide affordable projects shall be owned by the Housing Authority, in order to ensure that the quality of life within these projects is maintained.

**Program 4.A**
The Housing Authority shall consider all available options when developing rental units, including hiring contractors through requests for proposals, buying completed projects and other strategies as they become available.
**Responsible Agency:** Housing Authority
**Schedule:** 2001, On-going

**Program 4.B**
The Housing Authority shall develop a program for substantial rehabilitation of existing rental units within the City.
**Responsible Agency:** Housing Authority
**Schedule:** 2002

**Policy 5**
The City shall strive to meet the State-mandated special shelter needs of first time home buyers, large families, female headed households, single parent families, workers employed in Rancho Mirage, senior citizens, handicapped and homeless individuals through the continued efforts of the Housing Authority in developing or assisting private interests in developing housing for all types of households.

**Program 5.A**
Continue to support and assist in enforcing the provisions of the Federal Fair Housing Act. Information on the Fair Housing Act, as well as methods for responding to complaints, shall be available at City Hall. The materials shall also be provided to the City Library and Post Office for
**Responsible Agency:** Housing Authority
**Schedule:** Continuous

**Program 5.B**
The City shall work with private organizations in assisting whenever possible in the housing of handicapped residents, through continued participation by the Housing Authority.
**Responsible Agency:** Housing Authority, Community Development Department
**Schedule:** Continuous

**Program 5.C**
The City shall specifically list homeless shelters as Conditional Uses in the R-M, R-M-TOL and R-H Zones in its new Zoning Ordinance.
**Responsible Agency**: Community Development Department
**Schedule:** 2001

**Policy 6**
The City shall encourage the protection of existing affordable senior housing units.

**Program 6.A**
The City shall monitor existing mobilehome parks, and shall consider the allocation of Housing Set-Aside funds to correct health and safety concerns as they arise.
**Responsible Agency:** Code Enforcement Department, Housing Authority
**Schedule:** Continuous

**Program 6.B**
The City shall monitor existing senior apartment buildings, and shall consider the allocation of Housing Set-Aside funds to correct health and safety concerns as they arise.
**Responsible Agency:** Code Enforcement Department, Housing Authority
**Schedule:** Continuous

**Policy 7**
There shall be equal access to housing regardless of race, color, religion, national origin, sex, age, family status or sexual preference.

**Policy 8**
In order to meet its share of regional housing needs as mandated by the State, additional housing units affordable to 157 very low income households, 111 low income households and 135 moderate income households, shall be encouraged by the City during the 1998-2005 period.

**Policy 9**
The City's mandated fair share of affordable housing shall be maintained by resale and rental restrictions, applicant screenings, and other appropriate mechanisms established as conditions of approval for new affordable housing projects.

**Policy 10**
The first priority for the City's Redevelopment Housing Set-Aside Funds shall be to provide the required 403 units of very low, low and moderate income housing during the 1998-2005 planning period.

**Program 10.A**
The Redevelopment Agency shall annually allocate funds to eligible projects, outlined within the Redevelopment Agency's Implementation Plan 2000-2005, and other projects as they are presented to the Agency.
**Responsible Agency:** Redevelopment Agency, Housing Authority
**Schedule:** Annually

**Program 10.B**
The Housing Authority shall develop the Monterey Village project as a family project comprised of both ownership and rental units. The Authority shall retain control of the project until individual housing units are sold, and shall permanently control common areas to ensure a high level of maintenance occurs in the project over the long term.
**Responsible Agency:** Housing Authority, Community Development Department
**Schedule:** 2002, On-going

**Program 10.C**
The City shall restrict all housing units at the Blue Heaven/Santa Rosa Villas and Whitewater Senior Project/Parkview Villas II to very low income units only, for a total of 69 very low income units. The additional 83 very low income and 32 low income units needed to meet the City's housing need allocation shall be included in the Monterey Village project.
**Responsible Agency:** Housing Authority, Community Development Department
**Schedule:** 2001, On-going

**Policy 11**
In order to qualify for the City's financial assistance for the development of affordable housing, developers shall be required to comply with the Redevelopment Agency's Implementation Plan.

**Program 11.A**
The City shall prepare a standard set of qualifications and an application format for private developers seeking City financial assistance for the development of affordable housing.
**Responsible Agency:** Housing Authority
**Schedule:** 2002

**Policy 12**
The City may, whenever it deems feasible and necessary, reduce, subsidize or defer development fees to facilitate the development of affordable housing.

**Policy 13**
The City shall apply its density bonus provisions to all qualifying affordable housing projects.

**Policy 14**
The Housing Authority shall prepare an analysis of the potential for additional very low, low and moderate income units within currently designated High Density lands in Section 19.

**Policy 15**
The City shall assist existing very low and low income households in maintaining their homes in a safe and habitable condition.

**Program 15.A**
The Housing Authority shall provide financial assistance to lower income households through its Home Improvement Program.
**Responsible Agency:** Housing Authority
**Schedule:** Annually

**Policy 16**
Relocation assistance shall be provided to lower income households who are displaced by public or private redevelopment activities as mandated by the State.